NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

such part of the leased premises.

THIS LEASE AGREEMENT is made this

PAID UP OIL AND GAS LEASE (No Surface Use)

__day of <u>TONLIOFY</u>

WEN-YEN LUO a SINGLE PERSON		
whose addresss is <u>BROL AVENUE IT FOR WORTH TEXC</u> and, <u>DALE PROPERTY SERVICES, L.L.C.</u> , <u>2100 Ross Avenue</u> , <u>Suite 1870 Dallas T</u> hereinabove named as Lessee, but all other provisions (including the completion of blank 1. In consideration of a cash bonus in hand paid and the covenants herein co described land, hereinafter called leased premises:	exas 75201, as Lessee. All printed portions of the spaces) were prepared jointly by Lessor and Les	see.
OUT OF THE Trile CK're S TARRANT COUNT	ADDITION, AN A Y, TEXAS, ACCORDING TO THAT CI F THE PLAT RECORDS OF TARRAN	, BLOCK DDITION TO THE CITY OF ERTAIN PLAT RECORDED T COUNTY, TEXAS.
reversion, prescription or otherwise), for the purpose of exploring for, developing, proc substances produced in association therewith (including geophysical/seismic operation commercial gases, as well as hydrocarbon gases. In addition to the above- land now or hereafter owned by Lessor which are contiguous or adjacent to the above- Lessor agrees to execute at Lessee's request any additional or supplemental instruments	ons). The term "gas" as used herein includes eased premises, this lease also covers accretion described leased premises, and, in consideration of for a more complete or accurate description of the	hydrocarbon and non hydrocarbor helium, carbon dioxide and othe s and any small strips or parcels o of the aforementioned cash bonus le land so covered. For the purpose
2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a soing thereafter as oil or gas or other substances covered hereby are produced in payl otherwise maintained in effect pursuant to the provisions hereof. 3. Royalties on oil, gas and other substances produced and saved hereunder shis separated at Lessee's separator facilities, the royalty shall be **DEFALLED LESSOR** It wellhead or to Lessor's credit at the oil purchaser's transportation facilities the wellhead market price then prevailing in the same field (or if there is no such price prevailing price) for production of similar grade and gravity; (b) for gas (including the prevailing price) for production of similar grade and gravity; (b) for gas (including the prevailing price) for production of similar grade and gravity; (b) for gas (including the prevailing price) for production of similar grade and gravity; (b) for gas (including the prevailing price) for production of similar grade and gravity; (b) for gas (including the prevailing price) for production of similar grade and gravity; (b) for gas (including the prevailing price) for production of similar grade and gravity; (b) for gas (including the prevailing in the same field, then in the nearest field in which there is such a prevince severance, or other excise taxes and the costs incurred by Lessee in delivering, process have the continuing right to purchase such production at the prevailing wellhead market the prevailing in the same field, then in the nearest field in which there is such a prevince receiving date as the date on which Lessee commences its purchases hereunde the leased premises or lands pooled therewith and the leased premises or lands pooled therewith, no of such operations or production, but such well or wells are either shut-in or production there from is not being sold by Lessee; provided that if this Lessee from another well or wells on the leased premises or changes in the owner date and such payments or tenders to Lessor or to the depository b	a primary term of FINE (5) ing quantities from the leased premises or from land place paid by Lessee to Lessor as follows: (a) Fine provided that Lessee shall have the continuing the then prevailing in the same field, then in the necasing head gas) and all other substances cole from the sale thereof, less a proportionate partising or otherwise marketing such gas or other subtrice paid for production of similar quality in the saling price) pursuant to comparable purchase coler; and (c) if at the end of the primary term or any or other substances covered hereby in paying qualiform is not being sold by Lessee, such well or well or well or well or well or well are stoovered by this lease, such payment to be made on or before each anniversary of the end of said lease is otherwise being maintained by operation shut-in royalty shall be due until the end of the 90 ander Lessee liable for the amount due, but shall not or to Lessor's credit in at lessor's address all ship of said land. All payments or tenders may be Mails in a stamped envelope addressed to the didate or be succeeded by another institution, or for able instrument naming another institution as depicapable of producing in paying quantities (herein intities) permanently ceases from any cause, incity, then in the event this lease is not otherwise well or for drilling an additional well or for otherwise rations on such dry hole or within 90 days after signinatined in force but Lessee is then engage all remain in force so long as any one or more of the production of oil or gas or other substances or with. After completion of a well capable of producing quantities on the leased premises or lands prinds not pooled therewith. There shall be no covered the production of oil or gas or other substances or with so long quantities on the leased premises or lands prinds not pooled therewith. There shall be no covered the production of oil or gas or other substances or with sold and the production of oil or gas or other substances or with sold and the production of oil o	greats from the date hereof, and for nots pooled therewith or this lease is or all and other liquid hydrocarbons be delivered at Lessee's option to the delivered at Lessee's option to the delivered at Lessee's option to the same of advancem taxes and production a sarest field in which there is such a vered hereby, the royalty shall be of ad valorem taxes and production stances, provided that Lessee shall ame field (or if there is no such price intracts entered into on the same of time thereafter one or more wells on the thereafter one or more wells on the same of
6. Lessee shall have the right but not the obligation to pool all or any part of the depths or zones, and as to any or all substances covered by this lease, either before proper to do so in order to prudently develop or operate the leased premises, whether or unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of completion to conform to any well spacing or density pattern that may be prescribed or of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal equipment; and the term "horizontal completion" means an oil well in which the horizo component thereof. In exercising its pooling rights hereunder, Lessee shall file of receive production, drilling or reworking operations anywhere on a unit which includes all or reworking operations on the leased premises, except that the production on which Less net acreage covered by this lease and included in the unit bears to the total gross ac Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights he unit formed hereunder by expansion or contraction or both, either before or after com prescribed or permitted by the governmental authority having jurisdiction, or to conform making such a revision. Lessee shall file of record a written declaration describing the leased premises is included in or excluded from the unit by virtue of such revision, the leased premises is included in or excluded from the unit by virtue of such revision, the leased premises or lands pooled therewith shall be reduced to the proportion that of the leased premises or lands pooled therewith shall be reduced to the proportion that	or after the commencement of production, where it exceed 80 acres plus a maximum acreage toler. 10%; provided that a larger unit may be formed for permitted by any governmental authority having lit by applicable law of the appropriate government feet per barrel and "gas well" means a well with a producing conditions using standard lease sept zontal component of the gross completion interval ord a written declaration describing the unit and any part of the leased premises shall be treated sor's royalty is calculated shall be that proportion reage in the unit, but only to the extent such professional productive acreage determination made revised unit and stating the effective date of revise proportion of unit production on which royalties and purpose permanent cessation thereof, Lessee may aunder shall not constitute a cross-conveyance of productive and shut-in royalties payables.	lever Lessae deems in liceasary. The ance of 10%, and for a gas well or or an oil well or gas well or horizonta urisdiction to do so. For the purpos stal authority, or, if no definition is a mitital gas-oil ratio of 100,000 cubic arator facilities or equivalent testin val in facilities or equivalent testin in the reservoir exceeds the vertical that the effective date of pooling das if it were production, drilling of the total unit production which the oportion of unit production is sold but but not the obligation to revise an other well spacing or density patter by such governmental authority. If the payable hereunder shall thereafty terminate the unit by filing of reconinterests.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above If at any time two or persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to

pay or tender shut-in royalities hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced

in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in

other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, Insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fitteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and time after said judicial determination that a breach or default and Lessee fails to do so

there is a final judicial determination that a breach or default has occurred, this lease shall not be fortested of calibrated in whole of it part unless bessee is given a reasonable time after said judicial determination to remedy the breach or default had bessee falls to do so.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or

other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other

operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)	•	
Would aro By: WEND-YEN KUC	Ву:	
	KNOWLEDGMENT	
STATE OF TEXCIS COUNTY OF TOVOICH 20th	day of OCINCICITY , 2009,	
This instrument was acknowledged before me on the by: \\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	_day of	
Alsha G. Packer Politi Notary Public, State of Texas My Commission Expires April 15, 2372	Notary Public, State of TZXAS Notary's name (printed): 1319 M G. Notary's commission expires: 4-15-1	1 <mark>01-Polk</mark> Pexker-Polk
STATE OF COUNTY OF This instrument was acknowledged before me on the by:	_day of, 2009,	
	Noton: Public State of	

Notary's name (printed) Notary's commission expires:



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

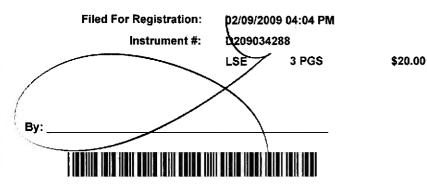
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



D209034288

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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